



# Alken European Opportunities

Factsheet as at 31st December 2013

NAV R Class 185.14 €

## Investment

### Investment Objective

The objective of the Fund is to achieve annualised capital appreciation in the long term through a risk adjusted outperformance against the benchmark.

### Investment Universe

The Fund will invest at least 75% of its total assets in equity and equity related securities issued by companies that are headquartered in Europe, or conduct the preponderant part of their activity in Europe.

### Fund Manager's Comment

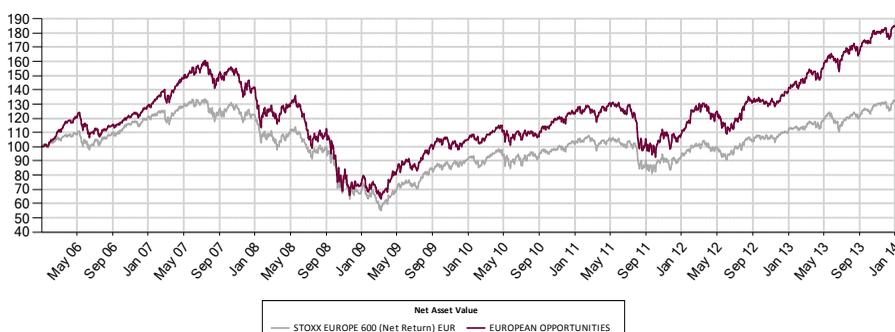
During the month of December, the Alken European Opportunities Fund posted returns of 0.98%, bringing the YTD to 33.73%. This represents an outperformance of the DJ Stoxx Europe benchmark of 12.94% for the YTD.

The main macro highlight in December was the announcement by the Fed of its tapering policy, which surprised the market positively by being milder than expected. This sharply reversed the decline in the European equity market seen since the beginning of the month with the Stoxx 600 ending on a new high for the year. The outlook provided by most corporates was marginally positive, although tainted by caution on the pace of the economic recovery in Europe.

Hard Disk drive manufacturers were once again the biggest contributors to performance, reaching new all-time highs. The shares rallied on emerging signs of an improvement in the PC market, a major volume driver where declines have not been as strong as in the past. Talk Talk performed well following good Q3 results and a higher mid-term guidance. On the negative side, RWE suffered from some broker downgrades but we remain confident that we have seen the trough in earnings for the stock. Peugeot was down on the announcement of a capital increase with further details pending, followed by the news of an exit by GM which contradicted Peugeot's management's assertion that the US carmaker will participate to the increase. Iliad suffered from announcements from its competitor Bouygues suggesting an impending price war in the fixed market. We think these threats are exaggerated because Bouygues has an unfavourable cost structure and cannot afford such a strategy that has been questionable in the past.

Looking ahead, the monetary stimulus policies implemented in the major OECD countries remain a major support for the economic environment and equity markets. The latest ISM figures showing a further pick up in new orders confirm that an economic recovery is taking hold in the US and give a favourable background for further performance in 2014.

## Performance since Inception<sup>1</sup>



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	2.43%	4.53%	3.04%	1.60%	5.30%	-2.01%	4.90%	-1.65%	4.53%	4.74%	1.39%	0.98%	33.73%
2012	8.50%	8.17%	-0.67%	-2.00%	-8.61%	3.17%	8.42%	3.85%	0.18%	-1.31%	1.74%	4.75%	27.81%
2011	1.26%	1.25%	-1.36%	4.98%	0.25%	-2.50%	-7.42%	-10.80%	-7.30%	14.22%	-2.92%	-0.02%	-11.93%
2010	0.37%	-0.45%	5.41%	0.38%	-4.06%	0.38%	2.12%	-1.70%	6.16%	4.53%	-2.25%	5.83%	17.34%
2009	-2.57%	-5.21%	2.98%	15.89%	7.69%	-1.68%	8.70%	7.00%	4.26%	-5.25%	-1.39%	6.80%	41.19%
2008	-13.08%	0.98%	-0.79%	3.93%	1.50%	-14.21%	-4.59%	2.69%	-14.43%	-15.51%	-5.29%	-0.95%	-47.63%
2007	4.61%	0.07%	4.18%	5.75%	4.48%	-0.29%	0.31%	-2.27%	1.13%	0.44%	-5.61%	-2.02%	10.65%
2006	3.27%	6.95%	6.68%	2.22%	-4.25%	-3.89%	0.97%	2.71%	1.66%	3.25%	1.19%	4.95%	28.12%

## Key Data

Total Fund Assets (€ mn)	4 699
Legal Status	SICAV - UCITS IV
Vehicle Type	PART 1 OF THE 2010 LAW
Launch Date	03/01/2006
Fund Manager	ALKEN ASSET MANAGEMENT LLP
Custodian	PICTET & CIE (EUROPE) S.A.
Benchmark	STOXX EUROPE 600 (Net Return) EUR
Cut-Off Subscriptions	16:00 CET
Cut-Off Redemptions	16:00 CET

Shareclass	R
ISIN	LU0235308482
Bloomberg Code	VANEOPR LX
Distribution Policy	ACC
Sub Settlement	T+4
Red Settlement	T+4
Management Fees	1.50%
Performance Fees*	10%
Min. Initial Investment	N/A

*For other shareclasses in EUR, GBP, USD and CHF please refer to the fund prospectus*

*\* Relative to the Benchmark.*

## Fund Performance Figures (Net)<sup>1</sup>

Performance	Fund	Benchmark	Difference
From Start	85.14%	32.74%	52.40%
YTD	33.73%	20.79%	12.94%
1M	0.98%	1.03%	-0.05%
3M	7.24%	6.08%	1.16%
6M	15.65%	16.05%	-0.40%
9M	21.23%	14.28%	6.95%
2013	33.73%	20.79%	12.94%
2012	27.81%	18.18%	9.63%
2011	-11.93%	-8.61%	-3.33%
2010	17.34%	11.61%	5.73%
2009	41.19%	32.39%	8.80%
2008	-47.63%	-43.77%	-3.86%
2007	10.65%	2.07%	8.58%



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## Portfolio Breakdown

Portfolio Concentration (Equity)	Exposure
Top 10 Holdings	48.05%
Top 20 Holdings	69.13%
Total Holdings*	57

\* Includes all instrument types (equity, future, bond)

Top Five Holdings	Exposure
SEAGATE TECHNOLOGY	7.37%
RWE AG	6.89%
WESTERN DIGITAL CORP	6.51%
VALEO SA	5.05%
CARREFOUR SA	4.21%

Market Capitalization (Long Book)	EUR	Exposure
Small Cap	0-1bn	0.78%
Small-mid Cap	1-2bn	9.76%
Mid Cap	2-5bn	18.89%
Large Cap	>5bn	70.36%

Performance Contributors	Contribution
SEAGATE TECHNOLOGY	0.88%
WESTERN DIGITAL CORP	0.67%
BANCO COMERCIAL PORTUGUES-R	0.16%

Performance Detractors	Contribution
RWE AG	-0.46%
PEUGEOT SA	-0.29%
SOFTWARE AG	-0.15%

Others	Exposure
Cash	0.23%
Index	0.00%

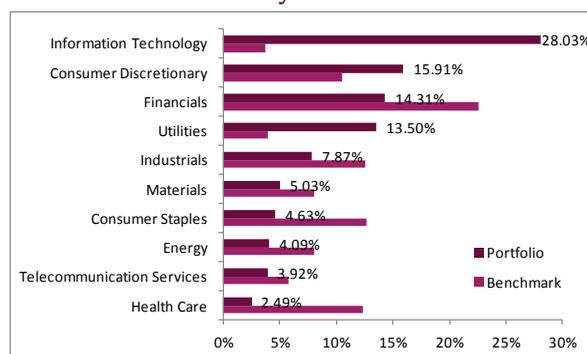
Exposure: end of month exposures.

## Risk Indicators (3 Year)

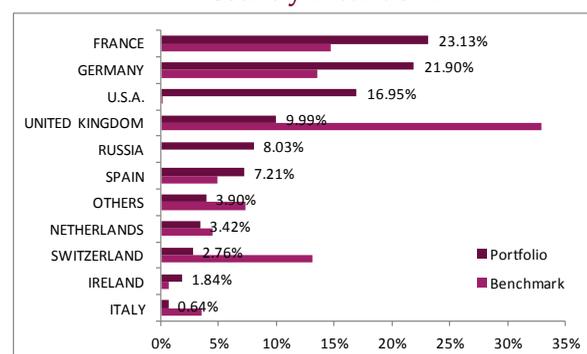
Risk	Fund	Benchmark
Volatility	19.04%	17.45%
Alpha	5.22%	
Alpha	1.01	1
Correlation	0.93	1
Tracking Error	7.09%	
Sharpe Ratio	0.87	0.6
Information Ratio	0.75	
Active Share		95.02%

## Industry and Country Breakdown

### Industry Breakdown



### Country Breakdown



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